

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 2
Mtg. Date November 18, 2014
Dept. Development Services

Item Title: Community Development Block Grant Allocation for Fiscal Year 2014-15 and Fiscal Year 2015-16

Staff Contact: Leon Firsht, City Engineer

Recommendation:

Conduct a public hearing, take testimony regarding the proposed uses of CDBG funds, and adopt a resolution (**Attachment B**) authorizing the submission of an application for the Community Development Block Grant program for Fiscal Years 2014-15 and 2015-16. |

Item Summary:

The purpose of this agenda item is to consider potential Community Development Block Grant (CDBG) funded programs/activities for Fiscal Year 2015-16, along with reallocating funds from Fiscal Year 2014-15 projects which were deemed ineligible. This process requires a public hearing. The staff report (**Attachment A**) provides background information regarding the CDBG program as well as staff's recommendation for projects.

Fiscal Impact:

The two-year CDBG allocation for Fiscal Years 2014-15 and 2015-16 is an estimated \$164,000. |

Environmental Review:

- | | |
|--|---|
| <input type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input checked="" type="checkbox"/> Categorical Exemption, Section 15301 | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|---|---|---|
| <input type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input checked="" type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution
- C. Exhibit A – CDBG Eligibility Map

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 2

Mtg. Date November 18, 2014

Item Title: **Community Development Block Grant Allocation for Fiscal Year 2014-15 and Fiscal Year 2015-16**

Staff Contact: Leon Firsht, City Engineer

Discussion:

The Community Development Block Grant (CDBG) program is a federal block grant program created by Congress in 1974 and administered by the County of San Diego. According to the County of San Diego's website, CDBG-funded projects must satisfy one of three national program objectives:

- Provide a benefit to low and moderate income persons,
- Prevent or eliminate slums and blight, or
- Meet needs having a particular urgency.

Eligible activities broadly include:

- Real property acquisition,
- Public facilities and improvements,
- Public services,
- Economic development (job creation), and
- Housing development and rehabilitation.

For over 20 years, the City has participated in the CDBG Program, predominately relying on CDBG funds for capital improvement projects (street rehabilitation) in eligible neighborhoods. Two other programs have been supported with CDBG funds in the past as well—the San Diego Food Bank school food backpack program and the Center for Social Advocacy.

During last year's CDBG first public hearing, there were no comments from the public and the City Council directed staff to allocate funding towards street rehabilitation. At the subsequent meeting (2nd meeting), staff recommended segments of Barton Drive (Englewood Drive to Ensenada Street) and Dayton Drive (Englewood Drive to Nichols Street) for funding. However, staff cautioned that these recommendations were based on data from the 2000 Census and that these areas may not be eligible for funding once the 2010 Census data was available. The City Council adopted a resolution programming FY 2014-15 funds to complete the rehabilitation for the two street segments.

Since the City Council resolution's adoption, County staff provided an exhibit (**Attachment C**) of eligible areas based on the 2010 Census data. Unfortunately, the segments of Barton Drive and Dayton Drive reside just beyond the eligible areas. With this new information, CDBG funding for FY 2014-15 must be reallocated to new eligible projects.

Based on direction provided by the City Council at last year's meeting, staff anticipates that there is continued support for allocating CDBG funds towards street rehabilitation projects. In the past year, no other requests for CDBG funding have been made to the City.

Attachment A

Staff used the following criteria to determine potential street rehabilitation projects:

- Street segments with the lowest Pavement Condition Index from the Pavement Management Program adopted by the City Council on June 30, 2010;
- Exhibit of eligible Census areas (**Attachment C**) provided by the County;
- Field visits conducted by Engineering and Public Works staff; and
- Block eligibility calculations, performed by the County.

Based on these criteria, staff recommends the following street segments be rehabilitated with the Fiscal Years 2014-15 and 2015-16 CDBG allocation:

- New Jersey Avenue, from Tweed Street to Brunei Court;
- Brunei Court, from New Jersey Avenue to cul-de-sac;
- Darryl Street, from Kempf Street to Washington Street;
- Rosemary Lane, from Massachusetts Avenue to Pergl Street; and
- Mazer Street, from Chatswood Drive to Lyndine Street.

Staff also recommends including CDBG funding for ADA pedestrian curb ramps, which may be allocated for use Citywide.]

Conclusion:

Staff recommends that the City Council open a public hearing, take testimony regarding the proposed uses of CDBG funds, and adopt a resolution (**Attachment B**) authorizing the submission of an application for the Community Development Block Grant program for Fiscal Years 2014-15 and 2015-16.

Attachment B

RESOLUTION NO. 2014-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2014-15 AND FISCAL YEAR 2015-16

WHEREAS, the United States Department of Housing and Urban Development administers the Community Development Block Grant (CDBG) Program, which provides Federal funds to assist community development activities in urban areas; and

WHEREAS, the County of San Diego (County) applies for and accepts CDBG funds with respect to its unincorporated areas and local governments that participate in the County's CDBG program known as "Urban County"; and

WHEREAS, the City of Lemon Grove (City) is a unit of general local government that participates in the "Urban County" program; and

WHEREAS, the City submits project applications to the County for approval to receive Federal funding; and

WHEREAS, on October 1, 2013, the City Council adopted Resolution No. 2013-3223, authorizing the application for segments of Barton Drive and Dayton Drive for street rehabilitation for Fiscal Year 2014-15; and

WHEREAS, eligibility of said segments were based on 2000 Census Data; and

WHEREAS, the CDBG Program now uses 2010 Census Data and said segments are no longer eligible; and

WHEREAS, the City placed a notice in a newspaper of general circulation indicating the Public Hearing; and

WHEREAS, the City understands and agrees that should the CDBG Program be discontinued, the City would be required to reimburse the County's Housing Development Fund for any affected funds.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Directs the City Manager or his designee to allocate CDBG funding for street rehabilitation purposes and ADA pedestrian curb ramps; and
2. Authorizes the City Manager or his designee to modify the application for the CDBG Program for Fiscal Year 2014-15; and
3. Authorizes the City Manager or his designee to submit an application for the CDBG Program for Fiscal Year 2014-15 and Fiscal Year 2015-16.

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EXHIBIT A

